

EXHIBIT A

SETTLEMENT & RELEASE AGREEMENT

The following is the settlement and release agreement (the "Release Agreement") entered into as of September 2, 2003 by and between Twilight/Twinight Records, Edgewater Music, and Sunlight Records, Inc. (hereafter collectively the "Claiming Parties") c/o the Entertainment Law Office, P.C., 208 LaSalle Street Suite 1400, Chicago, IL 60604, Attn: Hillel Frankel, Esq., on the one hand, and Amaru Entertainment, Inc. ("Amaru") c/o LaPolt Law, P.C., 9000 Sunset Blvd. Suite 800, West Hollywood, CA 90069, Attn: Dina LaPolt, Esq., on the other hand, in connection with the alleged sampling (hereafter the "Subject Claim") of the master recording embodying the musical composition entitled, "Different Strokes" featuring the performances of Syl Johnson (hereafter collectively the "Subject Music") in two master recordings featuring the performances of Tupac Shakur respectively entitled, "Peep Game" and "Nothing But Love?" (hereafter the "Shakur Masters").

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Claiming Parties and Amaru agree as follows:

1. Settlement Payment to the Claiming Parties:

a. As full and adequate consideration for the execution of this Release Agreement, Amaru hereby agrees to pay the Claiming Parties a one-time total flat fee of ten thousand dollars (\$10,000) (hereafter the "Settlement Flat Fee") which shall be a buyout and perpetual royalty free license with respect to the Subject Music as allegedly embodied on the Shakur Masters.

b. It is acknowledged by the Claiming Parties that this Release Agreement and payment of the Settlement Flat Fee effects the full and complete settlement of the Subject Claim and of any related claims, present and possible, in connection therewith whether against Amaru or any successor(s), affiliated person(s) and affiliated entity(ies), designee(s), or licensee(s) including, but not limited to, Interscope Records and the Universal Music Group (Amaru and all of said parties are hereafter collectively referred to as the "Amaru Parties"). Nothing contained herein shall be construed as an admission by Amaru of liability of any kind to the Claiming Parties in connection with the Subject Music or the Shakur Masters; all such liability is expressly denied. The Claiming Parties further acknowledge and agree that under no circumstances does this Release Agreement entitle or privilege any of the Claiming Parties to any ownership interest, in whole or in part, in or to the Shakur Masters or the musical compositions contained thereon ("Shakur Songs") (as existing and otherwise), to any income right or participation (including, but not limited to, any mechanical royalties or record royalties) in connection therewith respecting any exploitation thereof past, present, or future, and/or to any right to credit or other acknowledgement in connection with any exploitation past, present, or future of the Shakur Masters and Shakur Songs (as existing and otherwise).

2. Amaru's Continued Unfettered Exploitation of the Shakur Masters and Shakur Songs:

a. For purposes of clarity, it is acknowledged and agreed that the Amaru Parties and any of their licensees and designees have and shall continue to have the unfettered perpetual right to exploit, manufacture, sell, reproduce, adapt, distribute, transmit, broadcast, cable cast and/or otherwise exploit the Shakur Masters and the Shakur Songs (as existing and otherwise)

throughout the universe in any manner and media, in any configuration, in any and all languages, and by any method now known or hereafter discovered or conceived as the Amaru Parties, or and any of their licensees and designees may determine in their respective sole discretion, and Amaru may permit any other person, firm, or corporation to do any or all of the foregoing or refrain from doing any and all of the foregoing. The Claiming Parties irrevocably and unconditionally waive any and all droit moral and moral rights of authors (and similar or analogous rights throughout the universe) that any of the Claiming Parties may have in the Subject Music as allegedly embodied in the Shakur Masters and the Shakur Songs, and the Claiming Parties agree to execute and deliver to the Amaru Parties any further documents deemed necessary to effectuate the terms of this Agreement.

b. In furtherance of the foregoing, the Claiming Parties hereby represent and warrant that the Claiming Parties are fully authorized to enter into this Release Agreement and that the alleged inclusion of the Subject Music in the Shakur Masters and the Shakur Songs and the exploitation thereof by the Amaru Parties or otherwise will not infringe upon or violate the rights of any person or entity; the Claiming Parties will indemnify and hold harmless the Amaru Parties and any licensee or designee from and against any and all claims, damages, liabilities, costs, and expenses (including legal costs and reasonable attorneys' fees) arising out of or related to any breach or alleged breach of the representation and warranty made by the Claiming Parties in this paragraph 2(b) including, without limitation, any claim by or on behalf of Syl Johnson relating to the subject matter of this Release Agreement.

3. Release by the Claiming Parties and Related Parties: Each of the Claiming Parties, on their own behalf and on behalf of any of their respective predecessors, successors, assigns, owners, principals, shareholders, officers, directors, attorneys, partners, employees, agents, and parent, subsidiary and affiliated corporations (hereafter collectively the "Claiming and Related Parties"), do hereby relieve, release and forever discharge the Amaru Parties, and each of its respective predecessors, successors, assigns, owners, principals, shareholders, officers, directors, attorneys, partners, employees, agents, and parent, subsidiary and affiliated corporations of and from any and all claims, rights, debts, liabilities, demands, obligations, promises, acts, agreements, costs, expenses, accountings, audit rights, damages, actions, causes of action, claims, judgments or awards of whatever kind or nature, whether in law or equity, whether known or unknown, that the Claiming and Related Parties may have or hereafter may have against the Amaru Parties or any of them for or by reason of any occurrence, matter or thing, before, through, and including the date hereof based on, arising out of, or in any way connected with the Claim and the Agreement.

4. Release by the Amaru Parties: The Amaru Parties do hereby relieve, release and forever discharge the Claiming Parties and Related Parties, of and from any and all claims, rights, debts, liabilities, demands, obligations, promises, acts, agreements, costs, expenses, accountings, audit rights, damages, actions, causes of action, claims, judgments or awards of whatever kind or nature, whether in law or equity, whether known or unknown, that the Amaru Parties may have or hereafter may have against the Claiming and Related Parties or any of them for or by reason of any occurrence, matter or thing, before, through, and including the date hereof based on, arising directly or indirectly out of, or in any way connected with the Claim and the Agreement.

5. Waiver: Each of the parties hereto acknowledges that it is aware that the parties or their attorneys may hereafter discover facts different from or in addition to the facts that they now know or believe to be true with respect to the subject matter of this Agreement, but that it is their intention hereby to, and they hereby do, fully, finally, absolutely and forever settle any and all claims, disputes and differences that do now exist, may exist or heretofore have existed between them with regard to the subject matter of this Agreement, and that in furtherance of such intention, the general releases herein given by said parties and entities shall be, and remain in effect, as full and complete general releases notwithstanding the discovery of any such different or additional facts.

EACH OF THE PARTIES ACKNOWLEDGES THAT IT IS FAMILIAR WITH SECTION 1542 OF THE CIVIL CODE OF THE STATE OF CALIFORNIA, WHICH PROVIDES AS FOLLOWS:

**"A GENERAL RELEASE DOES NOT EXTEND
TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST
IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE,
WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT
WITH THE DEBTOR."**

THE PARTIES HERETO DO HEREBY WAIVE AND RELINQUISH ALL RIGHTS AND BENEFITS THEY HAVE, OR MAY HAVE, UNDER SECTION 1542 OF THE CIVIL CODE OF THE STATE OF CALIFORNIA, AND ANY SIMILAR FEDERAL OR STATE STATUTE.

6. Indemnification:

The Claiming and Related Parties hereby agree to and do hereby indemnify, save, and hold the Amaru Parties harmless from any and all damages, liabilities, costs, losses and expenses (including legal costs and attorneys' fees) arising out of or connected with any claim, demand or action by a third party which is inconsistent with any of the warranties, representations or covenants made by the Claiming Parties in this Agreement.

7. Miscellaneous:

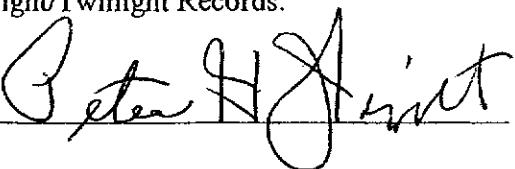
a. This Agreement shall be governed by the laws of the State of California applicable to contracts performed entirely therein.

b. This Agreement sets forth the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes and replaces all prior negotiations or agreements, written or oral. Each party hereto acknowledges that no other party, agent, representative, or attorney of any other party, has made any promise, representation or warranty whatsoever, express or implied, not contained herein to induce them to execute this Agreement, and each party acknowledges that they have not executed this Agreement in reliance upon such promise, representation or warranty not contained herein. No modification, amendment, waiver, termination or discharge of this Agreement shall be binding on either party hereto unless confirmed by a written instrument signed by authorized representatives of both parties.

c. In the event of any disagreement or dispute between the parties hereto arising out of or relating to the subject of this Agreement, such dispute shall be submitted to arbitration before the American Arbitration Association in Los Angeles pursuant to the rules promulgated by said Association and California Code of Civil Procedure, and the Civil Code relating to taking depositions, obtaining discovery (including, but not limited to, C.C.P. Section 1283.05), and enforcing judgments, shall be applicable thereto. This arbitration provision shall remain in full force and effect notwithstanding the nature of any claim or defense hereunder and the prevailing party shall be awarded reasonable attorney fees in connection therewith.

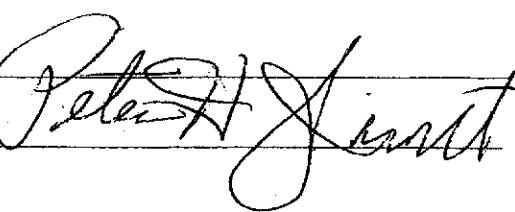
AGREED TO & ACCEPTED as of the date first stated above:

Twilight/Twinight Records:

By: 

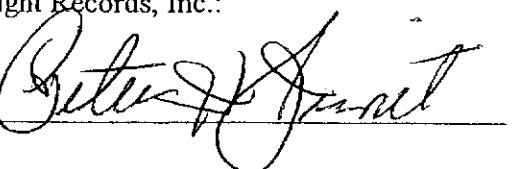
Its: _____

Edgewater Music:

By: 

Its: _____

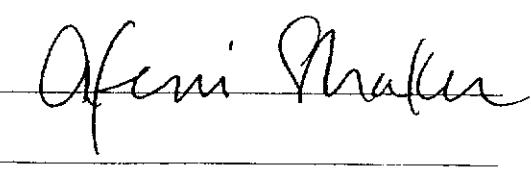
Sunlight Records, Inc.:

By: 

Its: _____

AGREED TO & ACCEPTED as of the date first stated above:

Amaru Entertainment, Inc.

By: 

Its: _____

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